

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCES/METHODS/EXEMPTION 302B  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2006

VIA: AIR  
OPTIONAL AIR OR SEA POLICY

DISPATCH NO. EGMA-36153

**SECRET**

CLASSIFICATION

74-6-130/3

TO : Chief, SR  
Attn:        
FROM : Chief, Munich Base        
SUBJECT: GENERAL— NEWWOOD/LC1/IMPROVE/AEBATE/OPERATIONS  
          SPECIFIC— ARCAPELIN/1 Refuses Transfer to Paris  
RE: As mentioned herein

DATE: 4 August 1958

INFO: EE  
COS/6  
     

ACTION REQUIRED: Comments re Recommended Transfer of ARCAPELIN/1  
to Athens.

1. ARCAPELIN/1 has refused to be transferred to Paris (see details below). It is therefore MB's strong recommendation that ARCAPELIN/1 be transferred to Athens. ARCAPELIN/1 agrees to be employed in Athens where he knows he can be productive and he feels he personally can effect a transfer and obtain permanent residence in view of his Greek governmental and church contacts.

2. As of 21 March 1958, the date when transfer from Munich was broached to ARCAPELIN/1 (see EGMA-32716, 9 April 1958, Attachment H), ARCAPELIN/1's operational behavior and activities have not been equal to his normal performance. He has continued reporting but with a lack of enthusiasm and thoroughness which he attributed to thoughts regarding his future transfer. He was told to try to forget about thoughts of transfer since he will be employed as heretofore until otherwise notified. Nevertheless, several times he asked if there was any word regarding his transfer, stating the reason for his query was that he presumed that the AIS worked on a fiscal year basis and that the fiscal year was due to end shortly. The last time ARCAPELIN/1 again brought up this subject was on 28 July 1958 when he appeared to be somewhat concerned and agitated.

3. There is no doubt that ARCAPELIN/1 does not wish to be transferred to Paris. His earlier comments, quoted in Attachment H to EGMA-32716, now can be interpreted as his gamble that we would not send him anywhere outside of Germany and that if transfer to Paris became a reality he would find ways of backing out. He explained the following:

a. He is unwilling to lose his status in the FEDREP as a "stateless foreigner" unless he can obtain permanent residence in another country and, in view of his status, the French authorities probably will not accept him for permanent residence. For security reasons, he wishes to avoid returning annually to the FEDREP to renew his residence permit and ultimate return to the FEDREP on completion of a tour of duty in France for KUBARK.

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b. He feels he will encounter too many difficulties in terms of securing a visa to France and a permit for employment and feels he will fail to obtain any satisfactory cover employment in France unless KUBARK obtains it for him. (His idea of a cover in France is to obtain recognition as a research man with the Shevchenko Society in Sarcelles. He says he is willing to write to Volodymyr KUBILYOVYCH but is certain of receiving a negative reply since he heard that there is a great deal of personal bickering among the Society's personnel who will be jealous if the Society even begins to entertain thoughts of employing still another researcher.) He is uncertain if he can establish an arrangement with the Society to set up a guarantee with the French authorities regarding his source of income (most, if not all, of which will be paid by KUBARK) and his expenses. He eliminates the Greek Orthodox Church and WCC (World Council of Churches) as other possible cover employment for France. Reasons:

1) It would be too difficult to break into the existing Orthodox Churches and it would make him suspicious to try to organize his denomination;

2) WCC is a very small entity in France and he would not be able to obtain a slot.

4. ACAPELIN/1's other preferences (as described in EGMA-32716) remain the same and if pressed to transfer he prefers to go to Greece where he would have no administrative or cover problems. He mentioned he has a number of contacts in Greek governmental and church circles. His first preference is to remain in the FRDREP. The tangible losses he will incur in the event of transfer from West Germany include (a) loss of his legalised employment status with WCC, where he earns DM 350 per month; (b) loss of his UPSWING salary of DM 200 per month; and (c) periodic payments of DM 100 from the ZCh/OUN/BANDERA SB (Security Service). FOR [ ] AND INFORMATION: ACAPELIN/1 is also employed as a full-time clandestine reporter to UPSWING. (It is noted that during the 28 July 1958 meeting, ACAPELIN/1 emphasized these potential losses and no assurance can be given that ACAPELIN/1 will not become a potential morale problem because of this loss of income in the event of his transfer.)

5. Information passed by Headquarters to [ ] (found in OPFW-21529, 16 July 1958) regarding ACAPELIN/1's abilities, security, etc., are objective and realistic. In terms of his personal life, the following amendments are made: He does have a mistress with whom he appears publicly and recently he quit smoking. However, we feel [ ] and [ ] should be informed regarding ACAPELIN/1's mentality insofar as affects his espionage employment, all of which appears to have stemmed from his service with the Abwehr during World War II. His Abwehr association had a most profound effect on his thinking, e.g., re MO, personal

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relationships between himself and the case officer, etc. It is felt these ideas are so fixed in his mind that he will have difficulties in erasing them. We believe it is basically for this reason that he is reluctant to leave the FEDREP since he probably feels he has made a "good mark" with the German IS and probably feels his future in the FEDREP is secure. By the same token, he probably feels that his long post-World War II service with the AIS also has guaranteed his security vis-a-vis the Americans.

6. We, therefore, request that Headquarters consider assigning AE-CAPKIN/1 to Athens and that his proposed transfer to Paris not be carried out.

APPROVED: *EAA*

Attachments: None

Distribution:

3 - SR  
2 - KE  
2 - COS/G  
2 - COS/Athens  
2 - COS/Paris

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*79-6-392*